Decline in the investment in basic drug industry

801. SHRI N. B. BALARAM :
SHRI GURUDAS DAS GUPTA :

Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether it is a fact that investments in basic drugs manufacturing industry has slowed down, recently ; and

(b) if so, what are the details thereof and what action has been taken in this regard?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI M. S. GURUPADASWAMY) : (a) No, Sir.

(b) Does not arise.

Losses to Eastern Coalfields Limited

802. SHRI GURUDAS DAS GUPTA :
SHRI CHATURANAN MISHRA :

Will the Minister of ENERGY be pleased to state :

(a) whether it is a fact that the Eastern Coalfields Limited has failed to limit its losses to the estimated Rs. 60 crores and instead suffered a loss of Rs. 200 crores during the first nine months of 1989-90 ;

(b) if so, what are the details thereof and what are the reasons therefor ; and

(c) what is Government's reaction thereto?

THE MINISTER OF ENERGY WITH ADDITIONAL CHARGE OF THE MINISTRY OF CIVIL AVIATION (SHRI ARIF MOHD. KHAN) : (a) and (b) The actual loss for the nine months period ending December 1989 is likely to be substantially higher than the loss of Rs. 88·5 crores for the same period as per budget estimates for 1989-90.

The main reasons for the higher loss are the failure to achieve the targeted production and the increase in costs on account of the implementation of the National Coal Wage Agreement IV which was finalised during the year 1989-90.

(c) Steps have been taken to tone up the management and assist the company to over-come constraints.

Expenditure on marketing campaign for Drugs

803. SHRI GURUDAS DAS GUPTA :
SHRI CHATURNAN MISHRA :

Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether it is a fact that about 24 per cent of the drug prices are absorbed towards marketing campaign expenses well beyond the estimated 13 per cent spent on research and development ; and

(b) if so, whether Government have any plan to curb such expenses and bring the cost of durgs under control?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI M.S. GURUPADASWAMY) : (a) and (b) Under DPCO, 1987, for controlled drugs, there is a Maximum Allowable Post-Manufacturing Expenses (MAPE) including trade margin which shall not exceed :

(i) Seventy five percent in the case of formulations specified in Category-I of the Third Schedule ;